

*This is a guide for SRF borrowers and their consulting engineers to understand the correlation between the CMAA construction delivery model and SRF funding requirements in Iowa.*

**\*\*Early SRF engagement is crucial to ensure that SRF requirements are understood and can be incorporated into the project from the start\*\***

- a. The Iowa SRF can fund projects using a CMaR as long as the borrower follows SRF Program rules and regulations.
- b. A borrower and/or their consulting engineer should contact the SRF early in the planning phase, even before submitting an IUP application, but certainly before soliciting for a construction manager.
- c. The selected CMaR will need to know that the project will be financed by SRF and will need to be made aware of SRF rules and regulations during the solicitation process.
  - i. **SRF front-end documents must be included in the postings for both the Request for Qualifications (RFQ) and the Request for Proposals (RFP) when soliciting for a construction manager.**
  - ii. Additional primary or main subcontractors will also have to be notified of and agree to SRF rules. SRF front-end documents will be required in all RFQ/Public Bidding processes.
  - iii. Contracting too early without providing bidders with SRF front ends will make your project ineligible for SRF funding and/or require a rebid.
- d. Planning costs and construction costs related to the construction manager must be clearly separated and well documented to determine SRF funding eligibility and loan structuring.
- e. Environmental review cannot begin until the entire scope and project delivery area are defined. No ground disturbance can take place until the environmental review for the entire scope of the project is finalized.
- f. **100% plans and specifications must be submitted with a permit application.** Partial plans and specs will not be reviewed or approved in phases or by trade.
- g. **Early procurement of equipment is allowed and eligible for SRF funding** if program requirements and procedures are followed:
  - i. DNR permitting staff will not review partial plans and/or equipment specifications for early procurement.

- ii. SRF Front-End documents must be incorporated into early procurement procedures and borrowers will need to demonstrate fair and open competition. A legal opinion on adherence to procurement procedures will be required.
- iii. Early procurement of equipment is not an eligible planning & design cost. Borrowers will have to absorb early procurement costs until an SRF construction loan can be executed.

### **Key Differences to Note When Using SRF Funding**

- **Build As You Go Approach:** The "build as you go" method sometimes used in CMaR projects is not compatible with SRF requirements.
- **100% Plans and Specs:** DNR requires the entire project's FINAL plans and specifications to be submitted for permitting at the same time, which is contrary to the "build as you go" approach.

### **Key Takeaways for Consulting Engineers:**

- **Proactive Communication:** Contact the SRF early to understand all requirements.
- **SRF Integration:** Ensure SRF requirements are included in all phases of the project, from RFQ/RFP to construction.
- **Construction timelines:** A comprehensive environmental review is required prior to construction.
- **No "Build as you go":** Be aware that SRF will not approve a build-as-you-go plan for CMAR projects, emphasizing the need for 100% complete plans and specifications.
- **Early Procurement:** Is not a planning & design cost and will require SRF front-end documents.



